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FM AMEMBASSY MANILA  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3931  
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE  
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 5920  
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 2959  
RUEHUL/AMEMBASSY SEOUL IMMEDIATE 2433  
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 9473  
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 2249  
RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 3379  
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE

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TAGS: [ECIN](#) [ETRD](#) [ENRG](#) [PREL](#) [ASEAN](#) [RP](#)

SUBJECT: AGENDA FOR DECEMBER EAST ASIA SUMMIT: ENERGY AND  
TRADE

Classified By: ECONOMIC COUNSELOR LARRY MEMMOTT. REASONS 1.4  
B AND D.

[11](#). (U) See para 6 for action request.

[12](#). (C) Summary: President Arroyo told us that, as host of the East Asia Summit on December 13, the Philippines intends to focus on energy and trade, especially the WTO. WTO Director-General Pascal Lamy has agreed to attend the Summit, and Arroyo would like to see Summit participants call for a conclusion of the Doha Development Round including, possibly, calls on the U.S. and EU for specific compromises in order to make a conclusion possible. Post recommends that a member of the USDel to the APEC Summit meet with Philippine Secretary of Trade Peter Favila, who is in charge of the EAS Summit agenda, to discuss these issues. End Summary.

[13](#). (C) While hosting a dinner for the U.S.-ASEAN Business Council on November 14, President Gloria Macapagal Arroyo described the Philippines' plans for the ASEAN, ASEAN 3, and East Asia Summits (EAS), which the Philippines will host December 11-13. She said she intended to hold two sessions of the EAS, one on energy and the other on trade. The session on energy would focus on alternative energy sources and fuels, while the trade session would focus on the WTO. She had invited WTO DG Lamy and he had agreed to attend. Her idea was to get the EAS to take the initiative to move the Doha Round forward. That might be done by calling on the U.S., the EU and others to make specific concessions.

[14](#). (C) Arroyo stated that many in the developing world viewed the Doha Round with mixed feelings. The two major players -- the U.S. and the EU -- need to agree. The developing world would see some benefits, but difficult political and economic actions would also be required. Referring to the attitude of many developing countries, Arroyo said, "In the end, while we can't stay out, we might be just as well off if the round were not successful." With time running short, she felt it important to give the round another shot and thought action by the EAS, with its mix of developed and developing members, might be one way of doing that.

[15](#). (C) DCM responded that the U.S. certainly wants to make the Doha Development Round a success. He recommended consultations between the GRP and the USG on ways forward as the next step. Arroyo noted that Secretary of Trade Peter Favila will be in Vietnam for the APEC Summit and could

perhaps meet with someone from the USDel to discuss these issues. DCM highlighted the ongoing work on the trade and energy issues in APEC, pointing out that efforts in the organizations should be complementary and not duplicative. He suggested that the EAS should look to well-developed APEC mechanisms to make further progress on energy issues.

16. (C) Comment and Action Request: Arroyo clearly wants to be helpful with her initiative on the WTO. That said, it is not clear to us that her team has a solid idea of what they want to come of this. Given the unstructured nature of the EAS, there is certainly some risk that the initiative will not be helpful. We recommend a meeting between Favila and a senior USG economic official on the margins of APEC.  
KENNEY